Municipal Services Commission Monthly Meeting June 18, 2020 – 4:00 p.m.

The meeting was called to order at 4:00 p.m. virtually with Dr. Roy Sippel, Commissioner, presiding.

Present:

Dr. Roy J. Sippel, Commissioner, President

Daniel F. Knox, Commissioner Dr. Allen Hansen, Commissioner Pamela A. Patone, Secretary

Staff in Attendance: Treasurer Mary Jane Stubbs; Tara French, Manager, Accounting & Customer Service Department; Jay Guyer, Manager, Water Department; Scott Blomquist, Manager, Electric Department

<u>Minutes –</u> Secretary Patone states it was noted on the agenda to have April 30, 2020 and May 21, 2020 minutes to be approved. Only April 30, 2020 minutes were presented. A motion was made and seconded to approve the minutes for the April 30, 2020 meeting. The motion was approved.

<u>Treasurer's Report - Treasurer Stubbs</u> reporting

Treasurer Stubbs reported a total operating cash balance of \$2,123,077.61. PNC escrow and meter deposit total in the amount of \$748,496.98. Total cash balance is \$2,871,574.59. Total investments are \$1,239,259.29. The accounts payable check register is attached to Treasurer Stubbs' report. Treasurer Stubbs points out certain items including a deep cleaning due to COVID-19. Commissioner Knox asks if the amount presented is for one cleaning. Treasurer Stubbs states one cleaning for both the Administrative Office and Utility Building.

A motion was made and seconded to approve the disbursements as presented. The motion was approved.

Accounting and Customer Service Department Report–Ms. French reporting (See attached report.)

Ms. French states it was discovered during the end of fiscal year 2020's pension valuation; the pension fund was being underpaid. Secretary Patone states transitioning from estimates to the actual funding amount was lacking. It was detected before preparing financial statements for the auditors. Ms. French has implemented steps to ensure it does not happen in the future.

Dr. Hansen asks if MSC is looking into going to the five year smoothing method. Secretary Patone states the fund smoothing would not affect the March 31, 2020 financials. She received the information from Summit Financial regarding smoothing to review. She anticipates making a recommendation at the July Commission meeting on what will be in place moving forward.

Dr. Hansen states in the Water Department report, Mr. Guyer stated MSC is down over 25% in water usage. He asks if electric usage is similar. Secretary Patone states she does not have June's consumption as of yet. Discussion ensued regarding usage percentages in April and May. She states once June's consumption information is available, anything significant she will share with Commissioners via email.

A follow up communication was made to the Commissioners reporting the water consumption for residential customers had increased compared to previous year by 8% with commercial decreasing 32.22% with total gross water revenues for the first quarter being down \$23,000. Similarly, electric consumption for residential customers had increased compared to previous year by 8.44% with commercial decreasing 12.82% with total gross electric revenues for the first quarter being down \$126,000.

<u>Electric Department Report – Mr. Blomquist reporting</u> (See attached report.)

Mr. Blomquist states he was contacted by Delaware Engineering in regards to the Read House whom are looking to obtain information on fault currents from MSC's transformer. At a charge, MSC provides utility engineers with the information for them to do the calculations. Dr. Hansen asks if Mr. Blomquist is aware if they are changing their usage of power. Mr. Blomquist states they are performing upgrades to their electric service and he is not aware of any load increase.

Commissioner Knox initiated discussion on an incident on Delaware St. involving a customer's sewer line being accidentally damaged. Mr. Blomquist attended several meetings with the customer and Henkels & McCoy to rectify the situation.

<u>Water Report – Mr. Guyer reporting</u> (See attached report.)

Dr. Hansen states he noticed markups on the water valves at the curb on the east side of the Strand, across from the Read House. He asks if Mr. Guyer is aware of the reason. Mr. Guyer states several Miss Utility tickets have been called in for that area.

A follow up communication was made to the Commissioners identifying Miss Utility marks on the roadway in front of 55 The Strand are from a June 16th request called in by Davey Tree Experts. They are planning to do stump grinding and removal at that location. There was another request from E & S Construction for 50 The Strand on June 3rd. They were doing work for Verizon Communications.

(Ms. French, Ms. Stubbs, Mr. Guyer and Mr. Blomquist were thanked and excused from the meeting.)

Secretary's Report - Secretary Patone reporting

DEMEC – Secretary Patone reported regular DEMEC meetings were cancelled in March, April and May. The DEMEC meeting for June 16, 2020 was rescheduled to June 22, 2020. This meeting will be held virtually. Secretary Patone states she attended the DEMEC Audit Committee meeting on June 16, 2020. The Audit Committee voted to approve Baker Tilly as DEMEC's auditor for another three year term. This is within the scope of the Audit Committee; they will inform the Board of their decision. The Audit Committee will be making a recommendation to the Board regarding the Audit Committee's responsibilities being expanded to a Financial Advisory Committee. The Audit Committee is limited in scope based on the charter that currently exists. She states due to the proprietary nature of some of the contacts, some financial matters are discussed in Executive session during the Audit Committee meetings.

Secretary Patone went on to report the DEMEC members were asked to communicate with their State Legislators to discuss Senator McDowell's RPS bill. Senator McDowell will be retiring in the fall of 2020, it was expected he would be putting forth an increase in the RPS requirements. She states Senator McDowell has put forward a bill to increase the RPS to 40% by 2035 with a minimum 10% solar carveout and 3.5% for community solar. The bill has not had the opportunity to be vetted due to the pandemic and DEMEC members believe it should not pass until it is properly vetted. Secretary Patone spoke with city of New Castle Senator Nicole Poore and explained the MSC's perspective.

It is understood from communication of the State Legislature there would not be any bills passed during this session that did not relate to Covid-19 or were not absolutely necessary for State Municipalities and State Government to function.

Secretary Patone states she participated in a call with the Governor's office, DEMEC members and investor owned utilities. This call was held to discuss the State of emergency modifications which prohibits utilities from disconnecting service during the State of emergency. She states the Governor's office requested input on how utilities could phase back into this type of collection procedure. Utilities put together a document which was submitted to the Governor's office.

Secretary Patone states this week a bill was presented that would legislate any disconnection of service to be 61 days after the State of emergency ends or March 31, 2021. The concern from a utilities perspective is the State of emergency may go on for a period of time, even with phases of reopening. There is concern this may be too long of a time period for utilities to work under. She understands this bill may have support as the Senator that presented the bill was not aware the utilities were working with the Governor's office regarding this topic. Secretary Patone states she will keep Commissioners posted as she has more information. Commissioner Knox asks if Secretary Patone has any feel for how many disconnects MSC has not executed due to the State of Emergency. There was discussion regarding percentages. MSC Customer Service Department has been tracking regularly, as well as revenue in late charges being waived during the State of emergency. Secretary Patone states she anticipates a decision on the policy in place by July 1, 2020. It was her understanding after July 1, 2020; utilities have the ability to send out letters to their customers who have the potential to be disconnected. Customers will be given an option to enter a payment plan. Discussion ensued regarding. No final decision has been issued by the Governor's office yet.

A follow up communication was provided to the Commissioners that as of June 30, 2020, delinquent accounts over 30 days past due are \$135,000 compared to same time last year in the amount of \$82,000 and increase of \$53,000.

Old Business

<u>Electric Vehicles</u>— Secretary Patone states she provided a simplistic draft to Commissioners regarding a proposed Electric Vehicle Rebate Program for approval. She states DEMEC indicated they would administer the rebate program which can be paid through the Green Energy Fund. Secretary Patone states she wants to get the message out to MSC customers that these rebates on electric vehicle chargers are possible. Part of MSC's goal is to 1) identify who has an electric vehicle, 2) determine whether there needs to be an electric vehicle rate established, 3) if there is a need for public charging stations within the community. She states she and Mr. Blomquist will be meeting with the Trustees and DEMEC members on

site to determine if the desired parking lot at Battery Park is a viable location for a charging station. DEMEC has offered to gather quotes and help facilitate and evaluate contracts, as two individuals on their team have experience in this field. Discussion ensued regarding dollar amounts of rebates. Dr. Hansen recommends if there will be any costs incurred for the charging station the MSC would incur the cost not the Trustees. Secretary Patone states in discussion with DEMEC, she learned there are opportunities for the vendors to own and operate the charging stations which would alleviate the MSC of ongoing maintenance. Dr. Hansen states with using Green Energy Fund for both Efficiency Smart Program and Electric Vehicle Rebate Program, MSC must be careful to not to exceed funds. Secretary Patone states Commission gave approval for her to spend up to \$20,000 in Green Energy Funds through the contract period with Efficiency Smart. Efficiency Smart will not give incentives to customers unless Secretary Patone approves therefore the two can be balanced. Dr. Hansen gave Secretary Patone suggestions on further detail within the draft. Discussion ensued regarding the dollar amounts of rebates on electric vehicle chargers regarding residential and commercial customers.

A motion was made and seconded to approve the rebate program giving Secretary Patone the discretion of potentially reducing the commercial rebate amount if it is not warranted to be higher than the residential rebate amount. The motion was approved.

<u>Feasibility Study</u>—Secretary Patone states she anticipates she and Bill Barthel will be receiving final concepts and renderings with cost estimates by June 22, 2020. The group will be prepared to present to Council and Commission upon request.

<u>City of New Castle Continuity Operations Plan</u>— Secretary Patone states the City is working with New Castle County Emergency Management in developing a continuity of operations plan. MSC provided Emergency Response Plans and general information which Secretary Patone states was helpful. The Consultant requested a summary of the essential functions of the MSC. Secretary Patone states the Electric and Water Department's essential functions are easily identifiable. The Administrative office does not have a document with essential functions. Secretary Patone will prepare document to provide by the deadline given.

New Business

<u>Summit Financial</u>—Secretary Patone presents Commission with document of recommendations provided by Joe Bonasera of Summit Financial.

A motion was made and seconded to approve the recommendations from Summit Financial. The motion was approved.

Secretary Patone states as good due diligence and responsibility of MSC, MSC can get in the cycle of going out for a RFP for investment advisors. This topic can be discussed or put on the agenda for a later date if the Commission desires. Dr. Sippel asks if there are any firms that analyze results of investment advisors. Secretary Patone states she does not have an answer at this time. Discussion ensued regarding a possible way to audit the investment advisors deliveries. Secretary Patone agrees to review and make a recommendation.

Remote Work Policy—Secretary Patone states as she develops a reentry plan for MSC, she has had discussions with staff regarding a remote work policy. Staff identified positions that could be performed

remotely, there has been discussion of developing a Remote Working Policy. Secretary Patone states based on discussion with MSC's staff and Attorney, General Manager Patone has the discretion to approve or deny the decision of remote working with the approval of the direct Supervisor/Manager. During the State of emergency, MSC has incurred expenses for laptops ordered due to staff remotely working. Secretary Patone states she does not anticipate with the policy, MSC would be incurring any additional costs. Discussion ensued regarding details of staff currently working remotely. Discussion ensued regarding Operations Managers working remotely during certain circumstances. Commissioner Knox states more details can be discussed during executive session.

A motion was made and seconded to enter executive session at 5:08pm

Commissioners returned to general session at 5:23pm

Secretary Patone states staff will research information to add to MSC's Remote Working Policy. This will be put on the agenda for next month's Commission Meeting.

Secretary Patone states State Legislature submitted a bill suggesting even beyond State of Emergency, particular groups may be able to meet virtually. Commission agrees to continue to virtually meet until further notice.

Next Meeting

Commissioners set the next monthly Board meeting to be July 23, 2020 4 p.m., location to be determined.

Adjournment

A motion was made and seconded to adjourn the meeting. The motion received unanimous approval. The meeting was adjourned at 5:26pm.

Michele R. Grussemeyer, Stenographer

(Minutes transcribed from recording)

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Accounting & Customer Service Department Meeting Report

June 18, 2020

Prepared By: Tara French on June 12, 2020

• Billing / Customer Service

The CSD continues to prepare consumption reports for analysis in usage changes that may have resulted from the COVID-19 pandemic.

The CSD prepared monthly billing to customers and continues to assist over the phone and by email.

Mailing labels were prepared for the June newsletter.

Accounting

Accounting has provided March 31, 2020 year end workpapers to the auditors for their review. Attached is the reconciliation of the March 31, 2020 unaudited financials presented to the Commission on May 21, 2020 updated for pension and regulatory accounting journal entries.

Accounting prepared the one month ended April 30, 2020 workpapers and Financial Statements:

Total assets are \$20,939,134 for the one month ended April 30, 2020.

There was a Deficit in Net Assets of (\$1,987) of that \$3,389 is due to capitalized labor and equipment giving a Total Deficit in Net Assets of (\$5,376). By department, there was a net deficit of (\$20,378) in Water and a net surplus of \$18,391 in Electric.

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ELECTRIC DEPARTMENT COMMISSION REPORT

June 19, 2020

Prepared by Scott Blomquist on June 11, 2020

1. Developer Projects:

a. Sheriffs House:

I. There is nothing to update on this project.

b. Read House:

I. Manager Blomquist was contacted by Delaware Engineering regarding costs for fault current availability at the transformer location. Manager Blomquist provided the costs as requested. When these costs are paid we will have Utility Engineers provide the fault current availability.

c. Fibertech/Crown Castle:

I. Crown Castle paid the make ready engineering costs. Operations will perform the work as requested.

d. 200 - 210 W 9th St (even only).

I. There is nothing to update on this project.

2. Capital Projects:

a. Van Dyke Village:

I. The electric and water employees have went through and repaired concrete that was disturbed or removed for installation of conduits to homes.

b. Wilmington Rd Substation:

I. This project is complete.

3. Capital Purchases:

a. Dump Truck:

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I. The new dump truck was received back with the repairs completed. Operation's has a few items to finish before we have the truck ready for use.

4. Operations:

a. <u>Outages :</u>

- I. We had 2 outages over the last month.
 - i. On May 23rd we had an outage that affected 7 customers on Tremont St. The outage was caused by a squirrel.
 - ii. On June 4th we had an outage that affected 37 customers on in Vandyke Village. The outage was caused by a squirrel.

Π . 06/01/2019 - 06/01/2020

SAIDI (minutes)	SAIFI (number of interruptions)	CAIDI (minutes)	ASAI (percent)
20.73	0.188	110.4	99.99

SAIDI - is the average outage duration for each customer served.

SAIFI - is the average number of interruptions that a customer would experience.

CAIDI - gives the average outage duration that any given customer would experience.

ASAI - is the Average Service Availability Index.

5. Repairs and Maintenance:

a. Wilmington Road Substation:

I. The Electric Department performed the monthly inspection at this location.

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b. **Dobbinsville Substation:**

I. The Electric Department performed the monthly inspection at this location.

6. Safety:

I. Daily tailgate sections are performed each morning.

7. Delaware Street Rehabilitation City:

- I. Manager Blomquist and Supervisor Granger continue inspections on this project.
- II. Henkels has completed a majority of the conduit installation. They plan to be finished conduit and bases the week of June 22nd weather permitting. They pulled in a crew to start restoration on June 11th. As they get started restoration Manager Blomquist will get a sense of their rate of restoration and be able to estimate the completion of the contracted work with Henkels.

8. Training:

I. The Electric Department continues attending online training provided by AMP and DEMEC. These meetings are about a half hour and have been every Tuesday and Thursday.

9. Electric Vehicle Program:

I. GM Patone continues to gather information pertaining to this subject.

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Water Department Commission Meeting Report

June 18, 2020

Prepared By: Jay Guyer on June 11, 2020

1. Projects

A. Garrison Apartment Complex - 7th Street

1. WUM Guyer has had no communication from the Garrison Representatives in reference to completing the outstanding water punch list items and will follow up with GM Patone on the next steps to getting the punch list items completed.

B. Del DOT – SR 9 / SR 273 Delaware Street Railroad Crossing Safety Improvements

1. Nothing to update on this project with Del DOT and Century Engineering.

C. Delaware Street Repaving - City Project

1. City contractor Cirillo Brothers continues to work on the curbs and sidewalks between 2nd and 4th Street. Water Operators continue to work with the contractor to ensure valve boxes and curb boxes are adjusted or replaced as needed.

D. 200 – 210 West 9th Street – New Town Homes by Cirillo Brothers

 Water operators checked / confirmed curb box alignment / elevation prior to the contractor completing final grading of the front yards. Water meters will be installed and bacteria testing completed when requested.

E. Sherriff's House Improvements – National Park Service

1. WUM Guyer responded to additional questions from VHB Engineering for the project. Revised water plans have been received for review and approval.

F. New Castle Foundry Apartments - 7th Street

1. Nothing to update on this project.

G. Carrie Downie Elementary School

WUM Guyer responded to additional questions from GPI Engineering, Inc. in reference
to the water service point of entry into the building, water metering, and cross
connection control requirements. Final plans were completed and forwarded for review

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Prepared By: Jay Guyer on June 11, 2020

and approval. WUS Jaeger met with Larry Via from Pro-Works on-site on June 9th to review proposed plans and construction sequence.

H. 16 Arbutus Avenue - New House

 WUS Jaeger coordinated the water service installation with C & K Builders and their contractor Christiana Excavating. Water service installation was completed on May 20th and was in accordance with MSC specifications. Final road restoration is pending.

2. Operations

A. Outages and Reporting

- 1. There were no planned or unplanned water outages for the month of May 2020.
- 2. ATSDR Testing in New Castle County ATSDR released the PFAS Study test results on Friday, May 22nd to the customers who participated in the New Castle Study. MSC participated in 2 conference calls hosted by the ATSDR Staff to discuss the information being released and how to best address customer questions. Community level test results were posted on their web site on June 4th. WUM Guyer and WUS Jaeger reviewed the testing process and the results to prepare for questions from our customers. Assessment information was reviewed with Water Operators and they will direct questions to WUM Guyer or GM Patone.
- 3. WUM Guyer and WUS Jaeger completed updating the 2020 Consumer Confidence Report for the Spring / Summer Newsletter. The Newsletter is completed and in the process of being printed and mailed to our customers before the June 30th deadline. WUM Guyer will contact Artesian Water Company for a copy of their CCR for mailing to our customers in Boothhurst Subdivision and Edgewood Drive. Certification of Delivery will be completed and sent to the Delaware Office of Drinking Water and the Public Advocate by the July deadlines.
- 4. WUM Guyer was contacted by the STRIDE Group in reference to participating in a GAC and IX Pilot Study to evaluate the performance of different treatment methods to remove PFAS compounds from drinking water. The purpose of the pilot study would be to compare PFAS removal using ion exchange and different types of granular activated carbon. The partners in the study would be MSC for manpower / facility / water supply, Calgon Carbon Corporation for the small scale column test equipment / supplies / and technical support, and STRDIE Group for PFAS analysis. Expected outcome: PFAS

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Prepared By: Jay Guyer on June 11, 2020

gathering key attribute data for vertical assets (storage tanks, wells, treatment facility, and pumps) and inputting data in spreadsheets to review with WUM Guyer and RKK.

D. Equipment

1. New T-16 Dump Truck – Intercon completed modifications to the dump bed to clear the lifting ram and it was returned to MSC. The truck was taken through DMV inspection for registration and tag work to be completed and should be placed in service shortly.

E. Personnel and Training

- 1. No personnel issues to report at this time.
- 2. WUM, WUS, and Water Operators have attended several training webinars in reference to water operations, treatment, and safety.
- 3. WUS Jaeger completed forms for Water Operator License Renewal.

F. Safety

- 1. MSC Water Operators and Facility Person hold daily morning tailgate talks discussing jobs/tasks to be performed that day, potential issues or hazards to be considered, personal protective equipment to be utilized, and safety concerns. WUS Jaeger and EUS Granger are working to standardize a "Tail Gate Talk" form for both Departments to use.
- 2. MSC Water Operators and Facility Person have not been able to conduct formal Safety Training since splitting into 2 groups.
- 3. The Utility Building and water sites are cleaned daily following CDC Guidelines. WUM Guyer met with representatives of 2 cleaning service providers for the Utility Building.
- 4. WUM Guyer is working with GM Patone and other department managers to develop our employee re-entry plan and implementing the agreed upon items as they are finalized.

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Water Department Commission Meeting Report

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Prepared By: Jay Guyer on June 11, 2020

3. Reporting Agencies

A. WSCC - Water Supply Coordinating Council

- 1. The May 28th virtual meeting went well. Delaware Geological and State Climatologist gave their water and weather conditions reports. DRBC reported on reservoir conditions, and individual utilities gave their system reports. Vic Singer discussed the sub-committee meetings and progress on creating the Self Sufficiency and Conservation Rate Analysis Report templates for the water purveyor's to use for uniformity in reporting. Dr. Kauffman discussed the Drought Advisory Guidelines Working Group and the work completed by the DGS and the State Climatologist, he will reach out to the members to schedule the next meeting.
- 2. The next WSCC meeting is scheduled for September 24th.
- 3. The next meeting of the Sub Committee members from Northern New Castle County developing templates for the Self Sufficiency Report and Conservation Rates Effectiveness filings with the Council has not been scheduled.

B. WRA - Water Resource Agency

1. WUM Guyer will resume sending weekly pump data to Jerry Kauffman of University of Delaware Water Resource Agency (WRA) when requested in Spring 2020.

C. DEWARN - Delaware Water/Wastewater Agency Response Network

1. The next DEWARN meeting has not been scheduled.

D. Water Operator Advisory Council Meeting

1. The June 4th conference call went well. Council reviewed Water Operator License Applications and approved/denied based upon the regulations, approved the meeting minutes from the December Meeting, Reviewed and approved new training courses from Del Tech and Delaware Rural Water Association, Council Member Terms are pending review approval of the Governor, discussed the Operator Certification Regulation revisions that were signed in to law, and the external review completed by Del Tech Environmental Center. Council was made aware that EPA is considering developing a Temporary Water Operators License that would cover operators crossing state lines to aid other utilities recovering from natural disasters or other incidents.

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2. The next meeting is scheduled for September 3rd.

E. Delaware Public Service Commission - Miss Utility Damage Prevention Reporting

1. The next teleconference meeting has not been announced.

F. Miss Utility of Delmarva Monthly Meeting

1. The May 21st meeting was cancelled. The next meeting is scheduled for July 16th at Sharpe Energy in Georgetown, DE.

End of Report

Attachments: May 2020 Water Works Report

May 2020 Water Outage Tracking Sheet